

City of Santa Barbara Building & Safety Division

Owner-Builder Information Sheet



Dear Property Owner:

An application for a building permit has been submitted in your name listing yourself as builder of the property improvements specified.

For your protection you should be aware that as "owner-builder" you are the responsible party of record on such permit. Building permits are not required to be signed by property owners unless they are personally performing their own work. If your work is being performed by someone other than yourself, you may protect yourself from possible liability if that person applies for the proper permit in his or her name.

Contractors are required by law to be licensed and bonded by the State of California and to have a business license from the city or county. They are also required by law to put their license number on all permits for which they apply.

If you plan to do your own work, with the exception of various trades that you plan to subcontract, you should be aware of the following information for your benefit and protection:

If you employ or otherwise engage any persons other than your immediate family, and the work (including materials and other cost) is \$200 or more for the entire project, and such persons are not licensed as contractors or subcontractors, then you may be considered by law as an employer.

If you are an employer, you must register with the state and federal government as an employer and you are subject to several obligations including state and federal income tax withholding, federal social security taxes, workers compensation insurance, disability insurance costs, and unemployment compensation contributions. There may be financial risks for you if you do not carry out these obligations, and these risks are especially serious with respect to workers compensation insurance.

For more specific information about your obligation under federal law, contact the Internal Revenue Service (and, if you wish, the U.S. Small Business Administration). For more specific information about your obligations under state law, contact the Department of Benefit Payments and the Division of Industrial Accidents.

If the structure is intended for sale, property owners who are not licensed contractors are allowed to perform their own work personally, or through their own employees, without a licensed contractor or subcontractor, only under limited conditions.

A frequent practice of unlicensed persons professing to be contractors is to secure an "owner-builder" building permit, erroneously implying that the property owner is providing his or her own labor and material personally. Building permits are not required to be signed by property owners unless they are performing their own work personally.

Information about licensed contractors may be obtained by contacting the Contractors State License Board in your community (805) 654-4515, or the main office at (916) 255-3900, or writing to P.O. Box 26000 Sacramento, California 95826. Current license and insurance information is also available on their web site www.cslb.ca.gov.

Please complete and return the Owner-Builder Verification Form (see other side of this page) so that we can confirm that you are aware of these matters.

The building permit will not be issued until the verification form is returned.

Very truly yours,

City of Santa Barbara Building and Safety Division